

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,
Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS
(Jointly Administered)

**SIXTH JOINT STATUS REPORT OF MOVANT AMBAC ASSURANCE
CORPORATION AND RESPONDENTS THE FINANCIAL
OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO, THE
COMMONWEALTH OF PUERTO RICO, AND THE PUERTO RICO FISCAL
AGENCY AND FINANCIAL ADVISORY AUTHORITY WITH RESPECT TO
THE PENSIONS DISCOVERY MOTIONS**

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); and (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801).

To the Honorable United States Magistrate Judge Judith Gail Dein:

Movant Ambac Assurance Corporation (“Ambac”) and Respondents the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), the Commonwealth of Puerto Rico (the “Commonwealth”), by and through the Oversight Board as the Commonwealth’s representative pursuant to section 315(b) of the Puerto Rico Oversight, Management, and Economic Stability Act (“PROMESA”), and the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF,” and together with the Oversight Board and the Commonwealth, the “Respondents”),² respectfully submit this joint status report in response to the Court’s January 24, 2020 Order (Dkt. No. 10376).

1. On June 18, 2019, Ambac filed its *Motion To Compel Pensions Discovery* (Dkt. No. 7505) and *Motion for Entry of Order Authorizing Discovery Under Bankruptcy Rule 2004* (Dkt. No. 7507) (together, the “Pensions Discovery Motions”).

2. On July 9, 2019, Respondents filed their *Omnibus Opposition to the Pensions Discovery Motions* (Dkt. No. 7895) (“Opposition Brief”).

3. On July 23, 2019, Ambac submitted its reply in further support of the Pensions Discovery Motions (Dkt No. 8230) (“Reply Brief”).

4. On October 23, 2019, Ambac requested additional information regarding the Commonwealth’s pension liabilities (the “Supplemental Pensions Requests”).

² Movant and Respondents are collectively referred to as the “Parties.”

5. The Parties have filed a number of motions seeking to adjourn the hearing on the Pensions Discovery Motions in order to allow the Parties to continue to meet and confer.³ The Court has granted these motions.⁴

6. The Parties submitted joint status reports informing the Court of their progress on August 12, 2019 (Dkt. No. 8445), September 6, 2019 (Dkt. No. 8633), October 25, 2019 (Dkt. No. 8996), and December 6, 2019 (Dkt. No. 9496).

7. On January 23, 2020, the Parties filed their fifth joint status report (Dkt. No. 10325). At the same time, the Parties jointly filed an urgent motion (Dkt. No. 10327) seeking an order granting an adjournment of the hearing on the Pensions Discovery Motions in order to allow the Parties to continue to meet and confer and noting that the Oversight Board's motion to strike two Rule 2004 motions and to seek sanctions against Ambac (the "Motion to Strike") remained pending before the Court.⁵ The Court granted the motion, adjourning the hearing on the Pensions Discovery Motions to the omnibus hearing scheduled for March 4, 2020, and ordering the Parties to submit a sixth joint status report to the Court on the remaining issues for adjudication by February 27, 2020 (Dkt. No. 10376).

8. In the time since the Parties filed their fifth joint status report, the Parties have continued to meet and confer to discuss the status of the collection, review, and production process. On February 26, 2020, counsel for the Oversight Board agreed to produce non-privileged information in its possession, custody, or control responsive to the Supplemental Pensions Requests subject to Ambac proposing ways to narrow its requests and proposing prioritized

³ See Dkt. Nos. 8007, 8271, 8444, 8634, 8997, 9498.

⁴ See Dkt. Nos. 8017, 8291, 8447, 8638, 9006, 9518.

⁵ On January 23, 2020, the Court denied the Motion to Strike (Dkt. No. 10332).

requests, and counsel for Ambac agreed to propose ways to narrow its requests and to prioritize certain of the requests. The Parties have agreed to continue to meet and confer to discuss ways to narrow and prioritize Ambac's requests. Thus, the Parties believe that a further adjournment of the hearing on the Pensions Discovery Motions to the omnibus hearing scheduled for April 22, 2020 is appropriate.

9. The Parties have filed, concurrently with this Joint Status Report, a joint motion requesting an adjournment of the hearing on the Pensions Discovery Motions to the omnibus hearing scheduled to take place on **April 22, 2020**.

[Remainder of Page Intentionally Omitted]

Dated: February 27, 2020
San Juan, Puerto Rico

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CERTIFICATE OF SERVICE

I hereby certify that on this same date a true and exact copy of this notice was filed with the Clerk of Court using the CM/ECF system, which will notify a copy to counsel of record.

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